

AMENDED IN SENATE MARCH 6, 2007

SENATE BILL

No. 148

Introduced by Senator Hollingsworth
(Principal coauthor: Assembly Member Maze)
(*Coauthor: Senator Alquist*)

January 29, 2007

An act to amend Section 211 of the Revenue and Taxation Code, relating to freeze relief, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 148, as amended, Hollingsworth. Property taxation: exemption: fruit-bearing and nut-bearing trees: freeze~~relief~~ *relief*.

The California Constitution exempts from property taxation fruit and nut trees until 4 years after the season in which they were planted in orchard form and grapevines until 3 years after the season in which they were planted in vineyard form. Existing statutory law implementing these exemptions specifies that any fruit-bearing or nut-bearing tree that was severely damaged during the exemption period by the December 1998 freeze so as to require pruning to the trunk or bud union to establish a new shoot as a replacement for the damaged tree or grapevine, is to be considered a new planting in orchard form.

This bill would modify this statutory provision to also apply to any fruit-bearing or nut-bearing tree that was similarly damaged during the January 2007 freeze.

Section 2229 of the Revenue and Taxation Code requires the Legislature to reimburse local agencies annually for certain property tax revenues lost as a result of any exemption or classification of property for purposes of ad valorem property taxation.

This bill would provide that, notwithstanding Section 2229 of the Revenue and Taxation Code, no appropriation is made and the state shall not reimburse local agencies for property tax revenues lost by them pursuant to the bill.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 211 of the Revenue and Taxation Code
2 is amended to read:

3 211. (a) The exemption of fruit- and nut-bearing trees until
4 four years after the season in which they were planted in orchard
5 form and grapevines until three years after the season in which
6 they were planted in vineyard form is as specified in subdivision
7 (i) of Section 3 of Article XIII of the *California* Constitution. For
8 purposes of exemption pursuant to this subdivision, any fruit- or
9 nut-bearing tree, or any grapevine, severely damaged during the
10 exemption period by the December 1990 freeze so as to require
11 pruning to the trunk or bud union to establish a new shoot as a
12 replacement for the damaged tree or grapevine, shall be considered
13 a new planting in orchard or vineyard form. For purposes of
14 exemption pursuant to this subdivision, any fruit- or nut-bearing
15 tree severely damaged during the exemption period by the
16 December 1998 freeze or the January 2007 freeze so as to require
17 pruning to the trunk or bud union to establish a new shoot as a
18 replacement for the damaged tree shall be considered a new
19 planting in orchard form.

20 (b) The exemption of timber is as specified in subdivision (j)
21 of Section 3 of Article XIII of the *California* Constitution and
22 Section 436.

23 SEC. 2. Notwithstanding Section 2229 of the Revenue and
24 Taxation Code, no appropriation is made by this act and the state
25 shall not reimburse any local agency for any property tax revenues
26 lost by it pursuant to this act.

1 SEC. 3. This act provides for a tax levy within the meaning of
2 Article IV of the *California* Constitution and shall go into
3 immediate effect.

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